

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 9, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 "A BILL FOR AN ACT to amend the Indiana Code concerning state
- 3 offices and administration."
- 4 Delete everything after the enacting clause and insert the following:
- 5 "SECTION 1. IC 5-11-20 IS ADDED TO THE INDIANA CODE
- 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2003]:
- 8 **Chapter 20. Office of Performance Review; Performance**
- 9 **Reviews of State Agencies**
- 10 **Sec. 1. As used in this chapter, "office" refers to the office of**
- 11 **performance review established under this chapter.**
- 12 **Sec. 2. As used in this chapter, "state agency" refers to an**
- 13 **agency, a bureau, a department, or a similar entity within the**
- 14 **executive branch, including the administrative branch, of state**
- 15 **government that has a director or other administrative head who:**
- 16 **(1) is appointed by the governor; or**
- 17 **(2) is the lieutenant governor.**
- 18 **Sec. 3. The office of performance review is established under the**
- 19 **supervision of the state board of accounts.**
- 20 **Sec. 4. The primary duty of the office is to conduct a**
- 21 **performance review of each state agency, as provided in this**
- 22 **chapter, to:**
- 23 **(1) streamline operations;**
- 24 **(2) eliminate duplication of effort among state agencies; and**
- 25 **(3) reduce expenses.**
- 26 **Sec. 5. Each state agency shall develop a management and**

1 efficiency plan for the state agency's operations in accordance with
2 this chapter.

3 **Sec. 6. A management and efficiency plan developed under**
4 **section 5 of this chapter must include each of the following items or**
5 **an explanation as to why the item does not apply to the state**
6 **agency:**

7 (1) A statement of the state agency's mission, goals, and
8 objectives.

9 (2) Measures of the output and outcomes of the state agency.

10 (3) Identification of priority and other service populations or
11 other service measures.

12 (4) An analysis of the current state agency resources in
13 meeting current needs and expected future needs and a
14 projection of additional resources that may be needed to meet
15 future needs.

16 (5) Other information that the state board of accounts
17 determines is important to include.

18 **Sec. 7. (a) To assist each state agency in developing the state**
19 **agency's management and efficiency plan, the governor, in**
20 **cooperation with the budget agency, shall establish and adopt goals**
21 **for achievement for each functional area of state government that**
22 **is under the jurisdiction of the governor or the lieutenant governor.**

23 (b) A statement of the goals under subsection (a) shall be
24 provided to each state agency not later than October 1 of each
25 year.

26 **Sec. 8. Each state agency shall do the following:**

27 (1) Issue a management and efficiency plan not later than
28 March 1 of each year.

29 (2) Deliver one (1) copy of the state agency's management and
30 efficiency plan to each of the following:

31 (A) The governor.

32 (B) The office.

33 (C) The legislative council.

34 (D) The budget committee.

35 **Sec. 9. The office shall conduct a performance review of each**
36 **state agency to include an analysis of the effectiveness and**
37 **efficiency of the policies, management, fiscal affairs, and**
38 **operations of the state agency.**

39 **Sec. 10. In conducting a performance review under this chapter,**
40 **the office shall consider the degree to which the state agency**
41 **conforms to the state agency's management and efficiency plan.**

42 **Sec. 11. Not later than November 1 of each year, the office shall**
43 **issue a report, which may include findings and recommendations,**
44 **to the governor, the legislative council, and the budget committee.**

45 **Sec. 12. A state agency whose performance is reviewed under**
46 **this chapter shall issue a report to the budget committee that**
47 **includes the following:**

48 (1) Accomplishments of the state agency.

49 (2) Measures taken by the state agency in response to a report
50 issued by the office under section 11 of this chapter.

1 **(3) An analysis of cost savings implemented by the state**
2 **agency.**

3 **Sec. 13. The general assembly may consider the results of a state**
4 **agency's performance review in determining the biennial budget**
5 **for the state agency.**

6 **Sec. 14. The state board of accounts may adopt rules under**
7 **IC 4-22-2 to implement this chapter."**

(Reference is to SB 9 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Governmental Affairs and Interstate Cooperation.

GARTON Chairperson